VZCZCXRO2315 OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHJA #1476/01 2170434 ZNY CCCCC ZZH O 040434Z AUG 08 FM AMEMBASSY JAKARTA TO RUEHC/SECSTATE WASHDC IMMEDIATE 9693 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHHJJPI/USPACOM HONOLULU HI PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEKJCS/JOINT STAFF WASHINGTON DC PRIORITY RUEHBJ/AMEMBASSY BEIJING 5255 RUEHBY/AMEMBASSY CANBERRA 2847 RUEHLM/AMEMBASSY COLOMBO 1166 RUEHKA/AMEMBASSY DHAKA 1134 RUEHMO/AMEMBASSY MOSCOW 0601 RUEHNE/AMEMBASSY NEW DELHI 2066 RUEHUL/AMEMBASSY SEOUL 4777 RUEHKO/AMEMBASSY TOKYO 2302 RUEHWL/AMEMBASSY WELLINGTON 2906 RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 03 JAKARTA 001476

SIPDIS

DEPT FOR P, T, L, EAP, PM, L/T (KUPCHAN), L/DL (DICKERSON), L/PM (HEROLD), EAP/MTS, EAP/MLS, EAP/RSP SECDEF FOR USDP/ISA/APSA D.WALTON NSC FOR E.PHU

E.O. 12958: DECL: 07/22/2018

TAGS: PREL MARR ID

SUBJECT: MISSION REVIEW OF PROPOSED DEFENSE COOPERATION

AGREEMENT

REF: JAKARTA 1354

Classified By: Ambassador Cameron R. Hume, reasons 1.4(b+d).

- 11. (U) This is an Action Request. Please see para 15.
- 12. (C) SUMMARY: Indonesia has proposed a draft Defense Cooperation Agreement (DCA) for USG review (reftel). Indonesia is pursuing DCAs with regional partners as part of a policy to regularize and document its existing cooperation. Signing a DCA with Indonesia would send a strong message of mutual trust and would help to create a firmer basis for mil-mil cooperation. This message provides an analysis of the proposed text and offers recommendations for a response. END SUMMARY.

BACKGROUND

- 13. (SBU) Indonesia is seeking Defense Cooperation Agreements (DCA) with regional partners (including China, Australia and the United States) to codify current defense relationships. Indonesia raised this matter at the 2007 Indonesia-United States Strategic Dialogue (IUSSD) in Jakarta. Co-chairs ASD Shinn and General Susanto agreed to consider a draft umbrella agreement to formalize current cooperation in training, exercises and education. At the 2008 IUSSD, co-chairs DASD Clad and General Tippe accepted the Indonesian proposal to draft a document for USG review.
- 14. (SBU) According to the Indonesian Department of Defense (DEPHAN), Indonesia has defense cooperation agreements with China, India, Philippines, Brunei, Poland and the Czech Republic and is negotiating such agreements with Australia, Vietnam, South Korea, Pakistan and Russia, in addition to the United States. All such agreements have been or will be signed at the ministerial level, according to DEPHAN. Indonesia and Singapore signed a DCA in April 2007 but the Indonesian legislature has objected to the terms of its provisions allowing Singapore to use Indonesian territory for training.

- 15. (SBU) According to contacts in the Directorate of Treaties in the Indonesian Department of Foreign Affairs (DEPLU), DCAs must be ratified to become law by the Indonesian House of Representatives (DPR) if the content pertains to "matters of defense" (Note: Mission interprets this to mean "defense" is distinct from "military-to-military cooperation"). According to DPR contacts, the DPR so far has ratified the DCA with India and plans to ratify the one with Australia (in the framework of the Lombok Treaty). According to DEPLU, contacts, whether a DCA meets this threshold is determined by an interagency process once the agreement has been negotiated. The precise criteria for that determination are not spelled out in a public document.
- 16. (C) It should therefore be possible to negotiate a document that does not require DPR approval. Concluding the agreement at the level of a memorandum of understanding would help to keep it below this threshold. The content of the draft agreement, as currently proposed, would appear to be on the level of an MOU.

MAIN PROVISIONS

- 17. (C) The heart of the proposed DCA is Article II, which describes the various forms of cooperation:
- -- exchange of information on defense organization, doctrine,

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- policy and related matters;
- -- exchange of officers for education, training, visits and research;
- -- exchange of scientific and technological data, experts and so forth;
- -- promotion of cooperation in defense technology and industry;
- -- cooperation in defense exercises; and,
- -- regular bilateral dialogue and consultation.
- 18. (C) The proposed text also provides (Article VI) for the sharing of classified information and the proper protection of such information. The agreement incorporates the existing Indonesia-U.S. Strategic Dialogue (IUSSD) as a "Joint Committee for cooperation activities" (Article IV). The Joint Committee would propose, agree, implement and monitor cooperative activities and "resolve any problems arising out of the (their) implementation." The agreement would remain in effect for five years and be renewable automatically for an additional five years unless one or both parties terminated it in writing (Article X).

ANALYSIS

- 19. (C) The proposed agreement essentially formalizes current activities, does not require any additional activities and places no restrictions on current cooperation. It would solidify current cooperation.
- 110. (C) The DCA would demonstrate to Indonesia a USG commitment to normalizing the bilateral defense relationship. It would help build trust between the two sides. A DCA would also provide a political frame of reference for pursuing more difficult issues, such as a SOFA, in the future. The proposed DCA could be superseded by other agreements in the future, as required. The DCA would technically not affect current U.S. vetting requirements, but it could help as a confidence-building measure in this area.
- 111. (C) By formalizing current bilateral defense cooperation, including the annual security dialogue, the DCA would strengthen the authority of the Indonesian Minister of Defense vis-a-vis the Indonesian military (TNI) in shaping and directing that cooperation. The agreement would

therefore boost U.S. policy goals to support the strengthening of civilian control of the Indonesian military.

112. (C) Discussing the Singapore-Indonesia DCA with Ambassador Hume recently, the Singaporean Ambassador said Singapore might have been better off cooperating on an ad-hoc basis and therefore avoiding the Indonesian legislature's rejection of the Indonesia-Singapore DCA. However, this comment should be placed within context. The Indonesia-Singapore DCA is an elaborate document on the order of a Status of Forces Agreement (SOFA) with extensive provisions for the Singapore Armed Forces' use of Indonesian territory for training. No such provisions exist in the proposed Indonesia-U.S. agreement.

RECOMMENDATION

- $\underline{\mathbf{1}}$ 13. (C) Mission's recommendation is to accept the proposal with minor changes.
- 114. (C) One negotiating goal would be to promote the use of language that did not require legislative approval on either side. Any review by the Indonesian legislature would entail careful scrutiny from nationalist circles. The draft agreement would not appear to constitute an "international agreement" according to U.S. law and would therefore not

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require Congressional approval. Accordingly, we would work with the Indonesian government to try to steer clear of any mandatory ratification process on the Indonesian side.

ACTION REQUEST

115. (C) Mission requests Department's guidance and concurrence.

HUME